

FOUR PENN CENTER
SUITE 200
1600 JOHN F. KENNEDY BLVD.
PHILADELPHIA, PA 19103-2808
TELEPHONE 215.563.9400
FACSIMILE 215.665.9988
WWW.GGELAW.COM

212846

GC&E GOLLATZ
GRIFFIN
& EWING
ATTORNEYS - AT - LAW

ERIC M. HOCKY
DIRECT DIAL 215.320.3720
emhocky@ggelaw.com

FEE RECEIVED

DEC 23 2004

December 22, 2004
VIA: UPS Overnight

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Mercury Building, #711
1925 K Street, N.W.
Washington, DC 20423-0001

**SURFACE
TRANSPORTATION BOARD**

ENTERED
Office of Proceedings

DEC 23 2004

Part of
Public Record

Re: STB Finance Docket No. 34642
Locust Valley Line
- Acquisition Exemption -
Rail Line in Schuylkill County, Pennsylvania
Notice of Exemption

FILED
DEC 23 2004
**SURFACE
TRANSPORTATION BOARD**

Dear Secretary Williams:

Enclosed for filing please find the original and ten (10) copies of the above-referenced Notice of Exemption of Locust Valley Line, along with a diskette containing the document in WordPerfect 9. A check in the amount of \$1,500 representing the filing fee is also enclosed.

Please time stamp the extra copy of this letter to indicate receipt, and return it to me in the stamped self-addressed envelope provided for your convenience.

Respectfully,


ERIC M. HOCKY

Enclosures



GOLLATZ, GRIFFIN & EWING, P.C.

WEST CHESTER

PHILADELPHIA

WILMINGTON

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 34642

**LOCUST VALLEY LINE
- ACQUISITION EXEMPTION -
RAIL LINE IN SCHUYLKILL COUNTY, PENNSYLVANIA**

VERIFIED NOTICE UNDER 49 U.S.C. §10901

ERIC M. HOCKY
GOLLATZ, GRIFFIN & EWING, P.C.
Four Penn Center
Suite 200
1600 John F. Kennedy Blvd.
Philadelphia, PA 19103-2808
(215) 563-9400

Dated: December 22, 2004

Attorneys for
Locust Valley Line

**LOCUST VALLEY LINE
- ACQUISITION EXEMPTION -
RAIL LINE IN SCHUYLKILL COUNTY, PENNSYLVANIA**

VERIFIED NOTICE UNDER 49 U.S.C. §10901

This Verified Notice is filed pursuant to 49 C.F.R. §1150.31 by Locust Valley Coal Company d/b/a Locust Valley Line ("Locust Valley"), a non-carrier, to exempt from regulation under 49 U.S.C. §10901, its "acquisition" of a line of railroad (the "Rail Line") between milepost 0.0 at Laurel Jct. (also known as Maria Jct.) in Delano Township, and milepost 5.5 beyond Newton Jct., just south of Mahanoy City, Schuylkill County, Pennsylvania. The Rail Line is a line that was previously owned by Lehigh Valley Railroad, but that has been out of service since approximately 1976 when Lehigh Valley Railroad filed for bankruptcy¹. (Locust Valley does not believe that the Rail Line was formally abandoned.) Locust Valley Coal Company acquired the out of service Rail Line approximately 25 years ago. Locust Valley is in the process of rehabilitating the Rail Line for service, and is developing and marketing the adjacent property along the line to potential shippers. Locust Valley does not intend to operate the Rail Line; rather it intends to lease the Rail Line to an existing Class III carrier which will conduct the common carrier operations over the Rail Line. The Class III carrier operations will be the subject of a separate filing prior to the commencement of operations. Locust Valley will at that time have residual common carrier authority only. The total mileage of the Rail Line is approximately five miles.

¹ Service has been provided over a one mile section near Laurel Jct. as a spur to serve one customer.

Notice

In accordance with 49 C.F.R. §1150.33, Locust Valley hereby states as follows:

- (a) The full name and address of Applicant are: Locust Valley Line, 300 Industrial Park Road, St. Clair Industrial Park, St. Clair, PA 17970.
- (b) The name, address and telephone number of the representative of Locust Valley who should receive correspondence are: Eric M. Hocky, Esquire, Gollatz, Griffin & Ewing, P.C., Four Penn Center, Suite 200, 1600 John F. Kennedy Blvd., Philadelphia, PA 19103-2808; (215) 563-9400.
- (c) Locust Valley is already the owner of the out-of-service Rail Line.
- (d) The Rail Line is currently out of service and there is no operator of the Rail Line at this time.
- (e) Brief Summary of the Proposed Transaction:

Locust Valley is rehabilitating the Rail Line for active service. Locust Valley does not intend to hold itself out to provide service over the Rail Line. Locust Valley intends to enter into a lease with a Class III carrier to operate the line. The lease will be the subject of a notice to be filed by the Class III carrier prior to the restoration of service. Locust Valley will at that time have residual common carrier authority only.

 - (1) The name and address of the company transferring the Rail Line is: Locust Valley is already the owner of the out of service Rail Line.
 - (2) Locust Valley intends that the Rail Line be considered as an active Rail Line as of the seventh day after the filing of this Notice of Exemption.

(3) The mileposts of the Rail Line are between milepost 0.0 at Laurel Jct. (also known as Maria Jct.) in Delano Township, and milepost 5.5 beyond Newton Jct., just south of Mahanoy City, Schuylkill County, Pennsylvania.

(4) The total mileage to be acquired is approximately five miles.

(f) Attached as Exhibit A to this Notice of Exemption is a map of the Rail Line.

(g) Locust Valley will not be an operating entity, and certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier.²

Environmental and Historic Reports

Locust Valley will not be conducting any operations over the Rail Line. It anticipates that at start up its operator will operate one train per day/ five days per week, and will handle approximately five to ten cars per train.

Pursuant to 49 C.F.R. §1105.6(c)(2), no environmental documentation should be required because this proceeding involves authority for an acquisition under 49 U.S.C. §10901 for continued operations that will not exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5).

No historic report under 49 C.F.R. §1105.8(b)(1) should be required because the transaction merely involves an acquisition for continued rail operations, and further Board

² Locust Valley additionally certifies that its projected revenues will not exceed \$5,000,000 per year.

approval is required to discontinue or abandon any service. Locust Valley has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

Labor Protection

Pursuant to 49 U.S.C. §10901(e), approval of this transaction may not be subjected to labor protection conditions.

Caption Summary

Attached hereto as Exhibit B is the caption summary required by 49 C.F.R. §1150.34.

Respectfully submitted,



ERIC M. HOCKY
GOLLATZ, GRIFFIN & EWING, P.C.
Four Penn Center
Suite 200
1600 John F. Kennedy Blvd.
Philadelphia, PA 19103-2808
(215) 563-9400

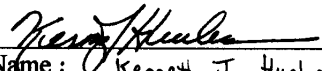
Dated: December 22, 2004

Attorneys for
Locust Valley Line

VERIFICATION

I, Kenneth J. Huebner, Vice President of Locust Valley Coal Company
d/b/a Locust Valley Line, verify under penalty of perjury that the foregoing is true
and correct. Further, I certify that I am qualified and authorized to file the
foregoing document.

Executed on December 22, 2004.

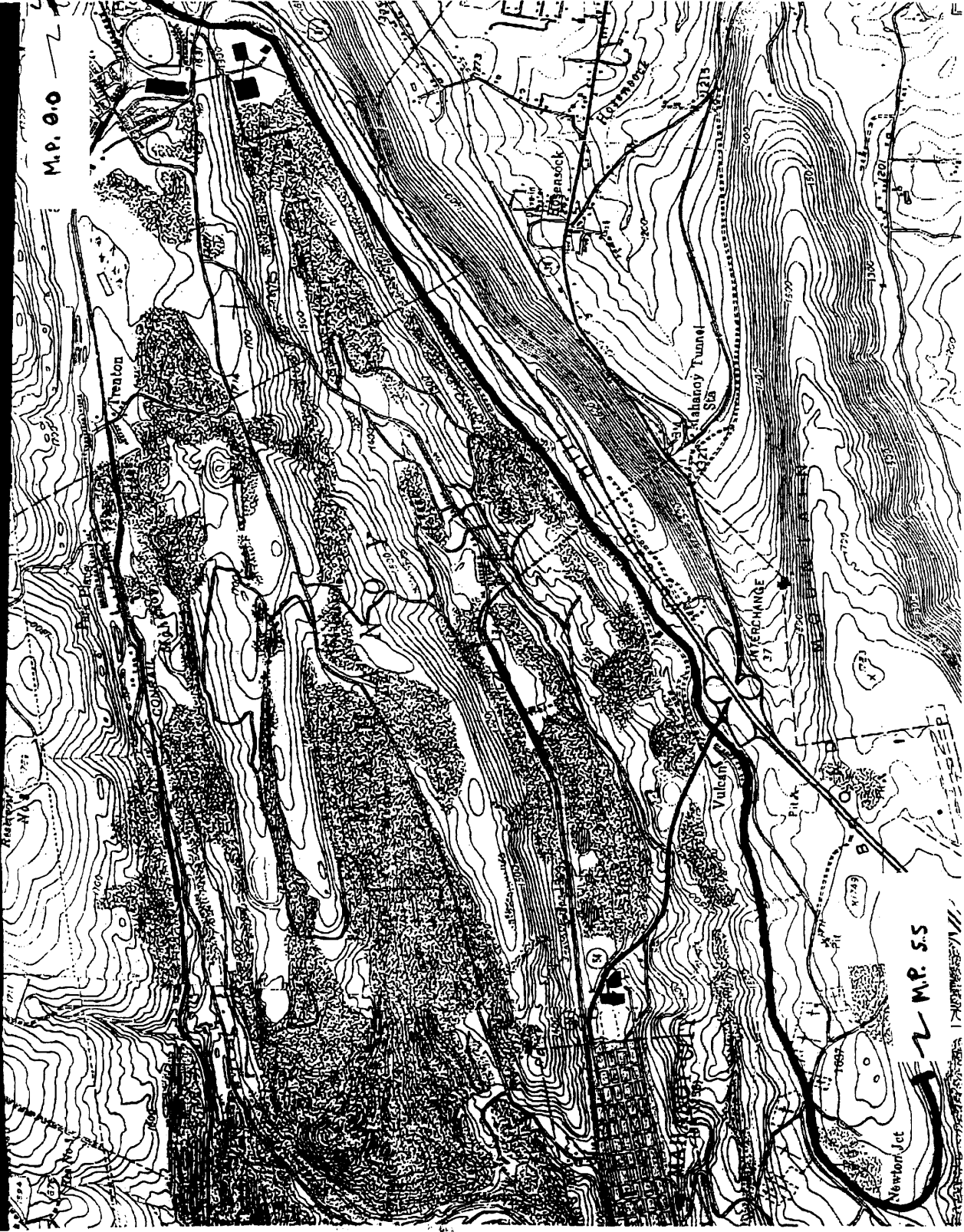

Name: Kenneth J. Huebner

MAP

EXHIBIT A

LAMEL
DET.

M.P. 0.0



M.P. 5.5

Newtown Jct

CAPTION SUMMARY

EXHIBIT B

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34642

**LOCUST VALLEY LINE
- ACQUISITION EXEMPTION -
RAIL LINE IN SCHUYLKILL COUNTY, PENNSYLVANIA**

Locust Valley Line, a non-carrier has filed a Notice of Exemption to acquire (but not operate) the currently out of service Rail Line between milepost 0.0 at Laurel Jct. (also known as Maria Jct.) in Delano Township, and milepost 5.5 beyond Newton Jct., just south of Mahanoy City, Schuylkill County, Pennsylvania. Locust Valley Line intends to lease the Rail Line to a Class III operator before operations are restored on the Rail Line. (The lease will be the subject of a separate filing with the Board.) After the lease, Locust Valley Line will have residual common carrier authority only.

Comments must be filed with the Board and served on Locust Valley Line's representative, Eric M. Hocky, Esquire, Gollatz, Griffin & Ewing, P.C., Four Penn Center, Suite 200, 1600 John F. Kennedy Blvd., Philadelphia, PA 19103-2808, (215) 563-9400.

The Notice is filed under 49 C.F.R. §1150.31. If the Notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. §10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.